

## Indiana Legislature Lowers Property Taxes

In the past two years, the General Assembly has enacted legislation which has lowered property taxes for various classifications of taxpayers statewide. In 2002, the legislature:

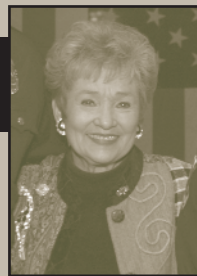
- Increased the standard homestead deduction from \$6,000 to \$35,000.
- Eliminated 60% of the School General Fund Levy through state-paid Property Tax Replacement Credit.
- Increased the Homestead Credit from 4% to 20%.

In November of 2003, we also passed Senate Bill 1, which made our system of property tax appeals more “user-friendly” and protected homeowners from \$490 million in increased property taxes by limiting local government spending.

Reforms enacted in 2004—which doubled tax deductions for the elderly, blind, disabled, World War I veterans and those who are rehabilitating homes—provided additional property tax protections for some of those who are most in need.

Taxpayers should see the result of the General Assembly's actions in a notice included with our tax bills. The notice outlines the Legislature's recent efforts at substantially reducing the effects of reassessment on an individual's property taxes.

If you have any questions about the deductions you are currently receiving or about those for which you might be eligible, contact your county auditor.



## State approves \$6.5 million for Purdue's Discovery Park



The Burton D. Morgan Entrepreneurship Center

I am pleased to announce that the State Budget Committee approved more than \$6.5 million for Purdue University's Discovery Park. The university will spend \$4.6 million for utility extension and another \$1.925 million for site work on two new buildings in the park.

Utilities in the Discovery Park area are limited and too old to service the large number of buildings that will be built in the park. The project improvements will include high voltage electricity, sanitary and storm sewers, and a walk tunnel.

The expenditures for the Burton Morgan Center for Entrepreneurship will provide for landscaping and lighting, in addition to the building of a patio, retaining wall and sidewalk. Work on the Bindley Bioscience Center will include creating an entry plaza that ties the building into Discovery Park's central plaza.

### ***State Representative Sheila Klinker: working for you***

200 West Washington Street ★ Indianapolis, IN 46204 ★ 800-382-9842 ★ email: H27@in.gov

#### **State Representative Sheila Klinker**

House District 27  
200 West Washington St.  
Indianapolis, IN 46204

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## REP. SHEILA KLINKER

## PROTECTING HOOSIER JOBS, REBUILDING INDIANA'S ECONOMY

INSIDE THIS NEWSLETTER, LEARN HOW INDIANA IS...



- ✓ Focusing on Indiana businesses as resources for Hoosier jobs



- ✓ Drawing in new businesses to grow a healthier, more diverse economy



- ✓ Reducing state unemployment levels



- Striving to retain talented graduates
- ✓ from our higher education system and build a stronger workforce

# PROTECTING HOOSIER COMPANIES



Rep. Klinker discusses legislation with Rep. Dennie Oxley (D-English).

During this legislative session our efforts to promote and protect Indiana business culminated in the passage of House Bill 1080. This bill will stimulate Indiana's economy by providing a price preference to Hoosier businesses for public works and procurement contracts. With this legislation, we focus on Indiana companies first as suppliers for goods and services that the state purchases.

House Bill 1434 supports small, low-income businesses by furnishing access to a Microenterprise Partnership Program. The Program, available to businesses with fewer than five employees, includes grants for training and technical assistance.

These measures are in addition to the economic development package passed during the 2003 session through the Energize Indiana initiative. That legislation included funding for research of new uses of agricultural products and established a pilot program for economic development in rural areas. It also amended our constitution to eliminate the state's inventory tax, which had been putting Hoosier businesses at a disadvantage with outside firms.

## NOTES ON INDIANA'S ECONOMY

In May and June of this year, *Indiana Legislative Insight* reported some good news about Indiana's unemployment, tax collections and tourism statistics. It is encouraging to see evidence of Indiana's economic recovery.

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| May was the state's fifth consecutive month of year-over-year job growth. Indiana's seasonally adjusted payroll employment for May grew by 1,600 jobs, up by 17,400 jobs from May, 2003. Manufacturing jobs grew by 800 seasonally adjusted jobs from April to May. Indiana gained 5,200 new jobs from March to April, 4,000 more than reported in the preliminary estimate. |  |
| State tax collections were 3.7% higher than projected in April, 2004. <ul style="list-style-type: none"><li>•Sales taxes exceed projections by \$13.1 million</li><li>•Individual income taxes exceed projections by \$4.7 million</li><li>•Corporate income taxes exceed projections by \$10.2 million</li></ul>  |  |
| The U.S. Department of Commerce Office of Travel and Tourism Industries reports that Indiana's tourist visits from overseas increased 7% from 2002 to 2003. Only Indiana, Nevada and Texas saw an increase in tourism during that year.  |  |
| Indiana's 144,000 overseas visitors in 2003 represented 0.8% of all international travelers to the United States, an increase of 10,000 visitors over 2002.  |  |

## AREA BUSINESSES REPORT HIRING PLANS

A recent article in the *Journal and Courier* reported that 17 percent of Greater Lafayette businesses surveyed anticipate hiring new workers in the third quarter of the year. I am pleased that local businesses are seeing growth.

The study, conducted by Manpower Inc., found construction, wholesale/retail trade, and education to have the best growth potential for our area.

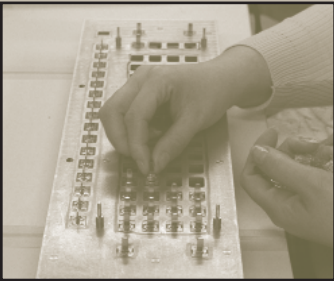


For example, Wabash National Corporation recently announced that it will hire about 150 more workers in July.

Wabash National, which currently has 3,500 employees to manufacture freight trailers for the trucking industry, hired about 250 workers in February to handle a surge in business.

Statewide, the Manpower survey found that 33 percent of Indiana businesses expect to hire more workers in the coming quarter. Nationally, 30 percent of U.S. employers expect to increase their workforce.

## DRAWING IN NEW INDUSTRY



Indiana was honored this year as *Site Selection* magazine's most competitive state in the nation for business investment. The award is based on 10 quantifiable criteria for measuring business-expansion activity that took place in the previous calendar year.

In the legislature we are working to maintain and expand Indiana's reputation as a top spot for new industries and emerging fields. In 2003 we:

- Passed a bill that appropriated \$75 million toward the 21st Century Research and Technology Fund for new and emerging high-tech companies which provide high-wage jobs.
- Established Certified Technology Parks in Indiana, encouraging high-technology businesses to locate within specific areas of the state. Seven such parks have been designated across Indiana.
- Passed a bill permitting the Indiana Port Commission to help finance capital improvement projects through flexible financing options. These provide significant advantages for companies seeking to build or expand facilities in Indiana. Estimates for this program indicate the potential for \$100 million in investments in Indiana by the end of the year.

This year we passed House Bill 1365, which makes the state's Research and Development Tax Credit permanent and extends an important Business Investment Tax Credit for two years.

Each of these initiatives will signal to the business community our commitment to growing our economy here in Indiana. As *Site Selection's* award shows, investors are taking notice.

## RETAINING OUR GRADUATES



Indiana is working to retain its college graduates in two important ways. First, the General Assembly has focused on helping Hoosier students receive a quality education through substantial financial support of Indiana's higher education institutions. In fact, Indiana ranks among the top third of states in terms of appropriations for higher education per capita, despite the critical budget issues we have faced in recent years. The legislature has also dramatically improved the accessibility of Indiana's higher education institutions through our

Community College Initiative.

Secondly, our job creation incentives for the state indirectly entice qualified graduates to remain in Indiana to live and work. Energize Indiana and other recent legislative efforts have targeted growing sectors of the economy: Advance manufacturing, life sciences, information technology, and 21st century logistics. If we can create the high demand, high-wage jobs for which students have been trained, they will be more likely to stay in Indiana, and others will be more likely to come here.

## BOOMERS MAY BEGIN RETURNING TO HOMETOWNS

Those concerned by the "brain drain" of students leaving Indiana will be interested to know that baby boomers are now considering relocating to their hometowns. A study conducted by The Strategic Development Group in Bloomington found that survey respondents

over 45 years of age with college educations were favorably considering their hometowns as relocation options. Returning boomers represent a significant economic resource for small towns. As many as 35 percent of respondents said they would consider starting a business after relocating.